

10 Ship Lines Win Stay on Liquor Edict

Temporary Injunction by Federal Judge Hand Halts the Enforcement of Daugherty Order

Wine Stocks Safe Pending Appeals

Vessels Not "Territory," Hence Not Subject to Volstead Act, Is Plea

A temporary injunction restraining the various United States government prohibition enforcement departments from interfering in any way with liquor stores on both foreign and American ships was granted.

Burning of C-2 May Spell End of Hydrogen Craft

The stay was ordered in the suits brought by the ten largest ocean steamship companies in the world to test the Attorney General Daugherty bone-dry ship ruling. The court reserved decision on the matter.

permanently enjoined after an all-day argument. Judge Hard granted counsel until this afternoon to file

"The matter of the greatest importance is the status of the Attorney General's ruling pending appeals of this case to the Supreme Court. It should be arranged that the conference

"The attitude of the government is not to work a hardship on vessels

pending a decision here. There has been no arbitrary action," said Colonel William Hayward, United States District Attorney. "There have been no seizures. A restraining order is not

Seek Longer Stay

"The government has granted a stay only until October 21," said Attorney Cletus Keating, representing the International Mercantile Marine Com-

pany. "We must have an order as assurance that these ships will not be interfered with. We have no assurance that the government will not proceed with enforcement of the Attorney General's ruling after next Saturday."

"You may all have a stay" replied the court. "until I have the attorneys."

"Do you believe we can expect a decision by Christmas?" asked Mr. Hayes.

"I believe I will have decided this case by Christmas," smiled the court.

Asked by counsel jointly if they would be permitted to file additional briefs, the court said he would not consider any brief filed later than this afternoon.

Use of "Saloon" Protested

A play of spirit came near the end of the argument when Mr. Hayward, who had frequently referred to the steamship line companies as "saloon-keepers," mentioned the "saloons operated on board these ships" and said:

"Oh, I wouldn't call them saloons," protested the court.

"What would you call them?" asked Mr. Hayward. "Barrooms?"

"Why not call them smoking rooms?"

The argument offered much that is new in discussion of maritime rulings; the few precedents that have so far been established against prohibition laws; the interpretation of statutes relative to ships' stores and the ex-

So great was the interest manifested in the argument and its outcome that a crowd was drawn to the courtroom that was internationally representative. English, French and Italian steamship lines had their ablest counsel in court

and consular representatives of various countries attended and followed the argument closely. A particularly interested listener was a legal representative of the Japanese government.

Competition Issue Stressed

It has been held for long by the

American steamship lines, and it was stated during argument yesterday, that a bone dry ship ruling would make it impossible for Shipping Board vessels to compete with foreign owned ships. In this regard Attorney Cletus Keating said at the close of his argument:

Reid L. Carr, representing the United American Lines, said:

the right to sell liquor on the high seas will irreparably damage these lines by the diversion of their traffic to foreign lines. There were fifty cancellations by passengers immediately following the announcement of the Attorney General's ruling. I do not believe we can

permanently operate under the American flag without this privilege. It might be advisable to have a temporary injunction continuing for a few months or until a final adjudication, a practice which has been continued for three years under two departments of the

Canal Zone Exemption Cited

Pressed on the exemption of the Panama Canal Zone by Congress, in the argument of Mr. Keating, who was the principal counsel for the applicants, Mr. Hayward finally admitted that it was

his opinion that Congress had exceeded its rights by such exemption. Mr. Keating had said that if the Attorney General's ruling were rigidly enforced no foreign ship could pass through the Panama Canal.

that ships were not territory of the government of their registry while on the high seas or in foreign ports. He held that the Eighteenth Amendment did not apply to ships and had not been intended to apply to ships. He insisted that under established findings a ship's stores were an integral part